15 December 1959

COMMUNIST PENETRATION OF LATIN AMERICA

- I. Communist influence has been rising in Latin America since 1956.
 - A. There are 21 Soviet bloc diplomatic and consular missions in five countries.
 - B. Communist parties now have legal organizations in nine countries.
 - C. LA Communist party membership now estimated at 220,000 to 240,000, an increase of 10 to 15 percent over estimates in early 1958.
 - 1. Strength of CP sympathizers probably at least 650,000.
- II. Sino-Soviet bloc diplomatic and consular missions engaged in varied political, economic, subversive, and propaganda activity.
 - A. Primary objective of bloc and local Communists is to disrupt all aspects of US-LA relations--diplomatic, economic, and cultural.
 - B. Bloc missions provide funds, guidance and other support to local Communist parties and Communist-front organizations.
 - 1. Soviet embassy in Mexico City and legation in Montevideo are administrative centers for publishing and distributing Sino-Soviet bloc printed propaganda and films throughout hemisphere.
 - 2. Bloc subversive activity illustrated by expulsion of Soviet and Sov bloc diplomats early this year from Mexico and Argentina for intervention in internal affairs these two countries.

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- 3. Bloc cultural organizations in Latin America and International Communist-front organizations support local Commies.
- 4. Bloc scholarship program also apparently increasing.

 LA travel to Bloc in 1959 will set all-time high.
- III. Chicoms have considerably stepped up their political activity in the area, especially since early 1959.
 - A. LA travelers to China, including important parliamentary delegations, will probably treble in 1959 over level of 1958.
 - B. New China News Agency has established branch in Habana and reportedly hired correspondents in Chile, Venezuela, Colombia and possibly other countries.
 - C. Large Chinese Communist acrobatic troupe and journalist delegation visited four countries.
 - D. Chicoms training LA Commie leaders in China since 1958, in attempt to expand their role in guidance of LA Communist parties.
- IV. Latin American and private attitudes apparently softening toward bloc since Khrushchev visit to US and concerted bloc effort to exploit the thaw in the cold war.
 - A. Bloc economic campaign has registered principal gains.
 - 1. Mikoyan visited Mexico to open Soviet exposition there and made several anti-US speeches. He tried to identify bloc with national liberation of Mexico from foreign economic imperialism.
 - 2. Cuba has asked that the exposition be sent to Habana after closing in Mexico.

- 3. Brazil has sent a trade mission to Moscow which signed a three-year trade and payments agreement amounting to \$214 million, the largest ever signed by a bloc nation with a LA nation.
 - a. Soviet \$100,000,000 credit granted to Argentina in 1958 for purchase of oil equipment was largest previously.
- 4. Chile has decided to send an economic mission to Moscow in early 1960.
- 5. Castro has sent an arms purchasing mission to Europe which visited Prague.
- B. Bloc has also scored political gains.
 - 1. Cuba abstained from vote in UN to postpone Chinese representation.
 - 2. Venezuela has been considering exchange of diplomatic missions with one or more bloc countries and granted Czech request to set up a commercial agency in Caracas.
 - 3. Brazilian Foreign Minister at time of Khrushchev's visit indicated Brazil might review its policy on relations with the USSR.
 - 4. In September Bolivian congress passed resolution calling for relations with USSR.

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- V. Since 1958, regional Communists have registered principal gains in Venezuela, -- now the second largest Communist party in the area and in Cuba.
 - A. Castro's brand of anti-Americanism and socialism has played directly into hands of Communists and Soviet Bloc is seizing opportunities presented.
 - B. Venezuelan Communists, though not admitted to Pres.

 Betancourt's coalition, have strong influence over

 press, students and are second strongest party in influence over organized labor; also their strength con
 centrated in politically focal Federal District where

 Betancourt is weak.
- VI. Organized labor and student-intellectual groups are among principal targets of Latin American Communists.
 - A. Communists frequently collaborate with nationalistic and leftist elements in organized labor to wield a disproportionate influence over national labor movements.
 - Communist influence is strong in labor field in Ecuador, Chile, Argentina, Uruguay, Costa Rica, Cuba, and Panama.
 - 2. Communists use labor agitation to promote unrest and violence and to upset government economic stabilization programs.
 - B. Confederation of Latin American Workers (CTAL) the regional affiliate of the Communist WFTU, has affiliates

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 Which are important to the local labor movement only

 in Ecuador, Uruguay, and Costa Rica. CTAL now largely

 discredited.
 - 1. Current Communist objective in labor apparently is to abandon CTAL eventually and wean Latin American labor away from the US-supported ORIT-ICFTU, the free world international labor organization.
 - 2. Communist line apparently is to advocate affiliation with neither the West nor the Soviet Bloc and thus break US-LA labor ties and associate Communists with more respectable non-Communist labor elements.
- VII. Student-intellectual groups are also key Communist target.
 - A. Government reluctance to take strong action vs. student violence and extreme nationalist sentiments among students render them peculiarly susceptible to Communist exploitation.
 - Communist influence strong among students in Ecuador, Venezuela, Cuba, Argentina, Brazil, El Salvador and Nicaragua.
 - Communists have exploited or led student violence since 1958 in Peru, Venezuela, Nicaragua, Panama, Uruguay, and Argentina.
 - B. Intellectual groups, especially artists, teachers, and journalists often co-operate with Communist objectives and are sympathetic to Communist anti-US propaganda.